



# Public Service Commission of Wisconsin

Eric Callisto, Chairperson  
Mark Meyer, Commissioner  
Lauren Azar, Commissioner

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Madison, WI 53707-7854

Public Service Commission of Wisconsin  
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## VIA ELECTRONIC MAIL

August 27, 2009

Scott R. Smith, Director, Regulatory Relations  
Wisconsin Power and Light Company  
P.O. Box 77007  
Madison, WI 53707-1007

Mr. Roman Draba, Vice President Regulatory Affairs and Policy  
Wisconsin Electric Power Company  
231 West Michigan Street  
Milwaukee, WI 53203

Re: Application of Wisconsin Power and Light Company and  
Wisconsin Electric Power Company for a Certificate of Authority  
to Install a Selective Catalytic Reduction System for Nitrogen  
Oxide Removal on Unit 5 at the Edgewater Generating Station,  
Sheboygan County, Wisconsin

5-CE-137

Dear Messrs. Smith and Draba:

Public Service Commission (Commission) staff has the following data requests regarding Wisconsin Power and Light Company's and Wisconsin Electric Power Company's applications in the docket listed above:

- 06.01 Provide an updated schedule for the project. If the scheduled in-service date for the project is before January 2012 (since the compliance date for the NO<sub>x</sub> rule is in 2013), provide a detailed analysis of the present value revenue requirements between the schedule proposed in the application (Spring 2011) and an alternative schedule with a Fall 2012 in service date. Provide all documentation of any differences in material and other costs and all cost escalations used in the analysis.
- 06.02 Provide a detailed, updated cost estimate for the project.
- 06.03 Verify the accuracy of the updated cost estimate including, but not limited to, cost comparisons of other projects of similar design that are proposed or recently approved.
- 06.04 Provide a comparison and discussion regarding how lower capacity factors than those provided within the EGEAS analysis may affect the cost-effectiveness of the project, given the recent reductions in Midwest Independent Transmission System Operator (MISO) energy consumption, the recent decrease in natural gas costs, projected CO<sub>2</sub> emission limits, etc.

- 06.05 Given the amount of renewable resources currently online and projected to come online, describe whether each of the owners are willing to submit these units into the MISO queue as economic, rather than self-scheduled or must-run.
- 06.06 Provide the following information on the MISO bid category for each of the owners' coal-fired units and natural gas-fired combined-cycle units:
- a) For each month beginning January 2007 through July 2009, provide the number of hours and the capacity each unit was self-scheduled or must-run.
  - b) For each month beginning January 2007 through July 2009, provide the number of hours and the capacity each unit was offered in as economic.
  - c) Provide the energy, in MWh, taken above the self-scheduled level in the day-ahead.
  - d) Since the start of the Ancillary Services Market (ASM), provide the day-ahead offers for any ASM functions, including the hours and MW that were accepted for any ASM for each unit.
  - e) Provide a list of all units that have special operating procedures for transmission reliability.
- 06.07 Provide the projected change in ramp rates for the unit. Describe the expected economic benefit for improved ramp rates in the ASM market. Describe how any economic benefits for improved ramp rates are factored into the PVRR analysis.
- 06.08 Provide the expected duration of the tie-in outage.

Please post your responses to this request to the Commission's Electronic Regulatory Filing (ERF) system. Confidential materials should be filed *via* ERF according to the confidential materials filing procedures. If you have any questions regarding this request, please contact me at (608) 266-0478.

Sincerely,



Jim Lepinski, P.E.  
Docket Coordinator  
Gas and Energy Division